

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

In re: NATIONAL BROKERS OF AMERICA, INC., Debtor.	Chapter 7 Bankruptcy No. 19-15488
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MOTION OF CHAPTER 7 TRUSTEE TO ABANDON CERTAIN PROPTERY

Robert H. Holber, the Chapter 7 Trustee, (the “Trustee”) by and through his undersigned counsel, respectfully requests this Court to enter an order approving the Trustee’s abandonment of certain property of the estate, as defined below, and in support of this Motion, the Trustee avers as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND AND FACTS

2. National Brokers of America, Inc. (the “Debtor”) filed a voluntary chapter 7 bankruptcy petition on September 3, 2019 (the “Petition Date”).
3. Thereafter, Robert H. Holber was appointed as Chapter 7 Trustee for the estate (the “Trustee”).
4. This case is fully administered other than the assets subject to this Motion.

5. One of the assets sought to be abandoned consist of certain health insurance commissions (the “Health Insurance Commissions”) that have been paid to the Trustee every month since the beginning of the case.

6. The commissions have been dwindling to the point of limited return. Last month, the gross amount of the Health Insurance Commissions was \$583.74. Current bank fees are \$248.94 per month. This results in a current net benefit of \$334.80 per month.

7. The Trustee anticipates that very soon, the Health Insurance Commissions will yield a net negative benefit to the estate based on bank fees alone. Additionally, maintaining the case and keeping it open inevitably incurs professional costs and other expenses, along with delaying payments to creditors.

8. Rather than chase diminishing returns, the Trustee desires to close this 2019 case promptly to expedite any distributions to creditors who have waited long enough.

9. In accordance with the claims register, there are approximately \$996,188.00 in total claims. Even if the net Health Insurance Commissions were to remain constant for an additional one year (an unlikely scenario), these new dollars would only create an additional distribution of approximately 0.2% to creditors – a sum insufficient to even keep pace with inflation.

10. The other asset sought to be abandoned is the remnants of settlement installment payments.

11. The Trustee investigated and provided a demand letter regarding potential claims against Alan C. Redmond and Bene Market, LLC. That claim eventually

led to the Trustee's Motion to Approve Settlement Agreement Resolving Trustee's Avoidance Claim against Alan C. Redmond and Bene Market, LLC was filed on March 24, 2022 (the "Redmond Settlement") [Docket No. 152].

12. The Redmond Settlement provided that Alan C. Redmond ("Redmond") would pay to the Trustee the sum of \$200,000 in multiple installments.

13. To date, the Trustee's records indicate that there is \$41,281.00 left to be paid according to the Redmond Settlement.

14. On September 3, 2024, a Chapter 11 Involuntary Petition was filed on behalf of Redmond in the United States Bankruptcy Court for the Eastern District of Pennsylvania, Case No. 24-13093 and the Order for Relief was entered on October 2, 2024 (the "Redmond Bankruptcy").

15. A review of the schedules filed in the Redmond Bankruptcy make it appear very likely that there will be very little distributions if any to pay the balance of the Redmond Settlement.

16. Therefore, the Trustee seeks to abandon the balance of the Redmond Settlement and the Health Insurance Commissions as they are burdensome to the Estate and of inconsequential value and benefit to the creditors.

RELIEF REQUESTED

17. Section 554(a) of the Bankruptcy Code provides that "after notice and a hearing, the trustee may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate." 11 U.S.C. § 554(a).

18. As explained above, the Trustee thus seeks this Court's approval to abandon: (i) the Health Insurance Commissions and (ii) the residual of the Redmond Settlement in accordance with 11 U.S.C. § 554(a).

WHEREFORE, the Trustee respectfully requests entry of an Order substantially in the form attached hereto approving the Trustee's abandonment of the Property.

FLASTER/GREENBERG P.C.

Dated: December 4, 2024

/s/ William J. Burnett

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